

**Finance Committee Meeting**  
**Wednesday, December 9, 2009 @ 6:00 pm**

**Item #1**

St. Patrick's School Acquisition- Ordered that for the purpose of acquiring and repairing St. Patrick's School and to connect modular units to the main school building, including the payment of all other costs incidental and related thereto which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, said sum to be expended at the direction of the School Building Committee, there be and hereby is appropriated the amount of \$3,000,000.00 and the following amounts are hereby appropriated and expected to be expended as follows:

1. Elements of the St. Patrick's School Project Eligible for Grant Funding: that in order to pay costs of the St. Patrick's School Project elements for which the City may be eligible to receive a grant from the MA School Building Authority (MSBA) to pay a portion of such costs, the Treasurer with the approval of the Mayor is authorized to borrow \$3,000,000.00 under Chapter 44 of the GL or any other enabling authority. The City acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs of the St. Patrick's School Project that the City incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the City; any grant that the City may receive from the MSBA on account of St. Patrick's School Project shall not exceed the lesser of (1) \_\_\_\_\_percent (%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, and that the total amount of the borrowing authorized by this vote shall be reduced by any amounts received from the MSBA prior to the issuance of any bonds or notes authorized under this vote, and
2. Elements of the St. Patrick's School Project Not Eligible for Grant Funding: that in order to pay costs of the St. Patrick's School Project elements not eligible for grant funding, including, among other things, the costs of acquiring the St. Patrick's School project, the Treasurer with the approval of the Mayor is authorized to borrow \$3,000,000.00 under Chapter 44 of the GL or any other enabling authority; that the sum of \$95,122.09 is hereby authorized to be transferred from the School Building Improvements account; that the sum of \$34,412.08 is hereby authorized to be transferred from Speical – Barry account; that the sum of \$1,000,000.00 is hereby authorized to be transferred from the Sale of Real Property account; that the sum of \$1,307,219.16 is hereby authorized to be transferred from Free Cash; that the sum of \$563,246.67 is hereby authorized to be transferred from the School Repairs (bond) account, representing the unexpended balance of the portion of the bonds dated August 15, 2007 issued under an order adopted by the Board of Aldermen and approved by the Mayor on February 23, 2001 to fund school repairs, which projects are fully completed and the funds are no longer needed for such school repair projects. The City acknowledges that the costs described in this paragraph shall be the sole responsibility of the City and its member towns, and the City is not eligible to receive financial assistance from The Commonwealth of Massachusetts or the MSBA to defray any portion of such costs.

Further ordered: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order, and to provide such information and execute such documents as the Board may require for these purposes; and that the Mayor and Treasurer are authorized to take any other action necessary to carry out this project.

**ITEM #2**

\$1,000,000.00 be appropriated to the Capital Projects Account for Acquisition of St. Patrick's School said amount is to be taken from available funds in the receipts reserved for appropriation – sale of real estate account.

**ITEM #3**

\$1,087,219.16 be appropriated to the Capital Projects Account for Acquisition of St. Patrick's School said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

**ITEM #4**

\$34,412.08 be appropriated to the Capital Projects Account for Acquisition of St. Patrick's School said amount is to be taken from available funds in the School Special Account for Barry Roof and Windows.

**ITEM #5**

\$95,122.09 be appropriated to the Capital Projects Account for Acquisition of St. Patrick's School said amount is to be taken from available funds in the School Special Account for Building Improvements.

**ITEM #6**

\$15,000.00 be appropriated to the Law Department Expense Account for Special Services said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

**ITEM #7**

\$30,000.00 be appropriated to the Law Department Expense Account for Special Services said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

**ITEM #8**

\$180,000.00 be appropriated to the Settlement in the Case of Jeanne Kidwell vs. City of Chicopee said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

**ITEM #9**

Minutes



**CHICOPEE CITY COUNCIL**  
**FINANCE COMMITTEE**

**APPROVED 12/15/09**

**MEMBERS**

William Zaskey, Chairman  
Shane Brooks, Vice-Chairman  
James Tillotson  
George Moreau  
Dino Brunetti  
John Vieau  
Fred Krampits

**MINUTES**  
**December 9, 2009**

The following are the minutes of a public hearing held Wednesday, December 9, 2009 at 6:00 PM in the City Council Chambers, Fourth Floor, City Hall Annex, 274 Front Street, Chicopee, MA 01013.

**Members Present**

Zaskey, Brooks, Tillotson, Brunetti, Krampits, Moreau, Vieau (arrived 6:50).

**Also Present**

Councilor Swider, Councilor Croteau, Councilor Zygarowski, Daniel Garvey (Associate City Solicitor), Sharyn Riley (City Auditor), Jessica Hebert (Assistant City Treasurer), Frank Laflamme (Councilor Elect), Ron Simard (School Maintenance), Richard Rege (School Superintendent), Mayor Michael Bissonnette, Tim Rooke (Associate City Solicitor)

The meeting was called to order at 6:05 PM

**ITEM #1**

St. Patrick's School Acquisition- Ordered that for the purpose of acquiring and repairing St. Patrick's School and to connect modular units to the main school building, including the payment of all other costs incidental and related thereto which proposed repair project would materially extend the useful life of the school and preserve an asset that otherwise is capable of supporting the required educational program, said sum to be expended at the direction of the School Building Committee, there be and hereby is appropriated the amount of \$3,000,000.00 and the following amounts are hereby appropriated and expected to be expended as follows:

1. Elements of the St. Patrick's School Project Eligible for Grant Funding: that in order to pay costs of the St. Patrick's School Project elements for which the City may be eligible to receive a grant from the MA School Building Authority (MSBA) to pay a portion of such costs, the Treasurer with the approval of the Mayor is authorized to borrow \$3,000,000.00 under Chapter 44 of the GL or any other enabling authority. The City acknowledges that the MSBA's grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any costs of the St. Patrick's School Project that the City incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the City; any grant that the City may receive from the MSBA on account of St. Patrick's School Project shall not exceed the lesser of (1) \_\_\_\_\_ percent (%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, and that the total amount of the borrowing authorized by

this vote shall be reduced by any amounts received from the MSBA prior to the issuance of any bonds or notes authorized under this vote, and

2. Elements of the St. Patrick's School Project Not Eligible for Grant Funding: that in order to pay costs of the St. Patrick's School Project elements not eligible for grant funding, including, among other things, the costs of acquiring the St. Patrick's School project, the Treasurer with the approval of the Mayor is authorized to borrow \$3,000,000.00 under Chapter 44 of the GL or any other enabling authority; that the sum of \$95,122.09 is hereby authorized to be transferred from the School Building Improvements account that the sum of \$34,412.08 is hereby authorized to be transferred from Special – Barry account; that the sum of \$1,000,000.00 is hereby authorized to be transferred from the Sale of Real Property account; that the sum of \$1,307,219.16 is hereby authorized to be transferred from Free Cash; that the sum of \$563,246.67 is hereby authorized to be transferred from the School Repairs (bond) account, representing the unexpended balance of the portion of the bonds dated August 15, 2007 issued under an order adopted by the Board of Aldermen and approved by the Mayor on February 23, 2001 to fund school repairs, which projects are fully completed and the funds are no longer needed for such school repair projects. The City acknowledges that the costs described in this paragraph shall be the sole responsibility of the City and its member towns, and the City is not eligible to receive financial assistance from The Commonwealth of Massachusetts or the MSBA to defray any portion of such costs.

Further ordered: That the Treasurer is authorized to file an application with the Municipal Finance Oversight Board to qualify under Chapter 44A of the General Laws any or all of the bonds authorized by this order, and to provide such information and execute such documents as the Board may require for these purposes; and that the Mayor and Treasurer are authorized to take any other action necessary to carry out this project.

Councilor Tillotson stated that he is opposed to bonding for this purchase if the City can buy it out right.

Mayor Bissonnette stated that the City can borrow the money at 1% or less now and can keep the money that the City has invested at 3%. He also stated that if the City's money is spent on this purchase and it doesn't go out to bond there could be lay offs in July 2010. He further stated that the School Department is pitching in for this acquisition from their accounts.

Councilor Brunetti asked if the plan is for the students to move in this fall. The Mayor responded yes. Councilor Brunetti then asked if the current Belcher school will be an empty building. Superintendent Rege stated that his intent is to hold it at least for one year to relocate the Chicopee Academy students while the former Chicopee High School is renovated. After that the Belcher school building will be surplus property. At which time, the Mayor stated, the City can go out for RFPs.

Councilor Tillotson stated that he is not opposed to purchasing St. Patrick's School. He is opposed to the proposal to bond for the purchase. He also stated that the cost of repairs to the building could be less or more. No architect has been hired to review the building.

Mayor Bissonnette stated that tonight only the transfer orders should be acted upon. The Bond order will be rewritten and placed on the next City Council agenda.

Superintendent Rege stated that it is important that the Council take action to close on this matter. If this matter is delayed by one month it could jeopardize the fall move in. He stated that it's easier to move high school students in the middle of the school year then it would be to relocate K-3 graders in the middle of the year. He stated that time is of the essence.

Motion made by Councilor Moreau to defeat. Committee vote 6 – 0 favorable.

## **ITEM #2**

ORDERED THAT the sum of \$1,000,000.00 be and hereby is appropriated to the following named account:

Capital Projects Account for Acquisition of St. Patrick's School

Said amount is to be taken from available funds in the Receipts Reserved for Appropriation – Sale of Real Estate Account.

Motion made by Councilor Tillotson to approve.

Committee vote                      6 – 0 favorable.

**ITEM #3**

ORDERED THAT the sum of \$1,087,219.16 be and hereby is appropriated to the following named account:

Capital Projects Account for Acquisition of St. Patrick's School

Said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

Motion made to approve.

Committee vote                      6 -0 favorable.

**ITEM #4**

ORDERED THAT the sum of \$34,412.08 be and hereby is appropriated to the following named account:

Capital Projects Account for Acquisition of St. Patrick's School

Said amount is to be taken from available funds in the School Special Account for Barry Roof and Windows.

Motion made to approve.

Committee vote                      6 – 0 favorable.

**ITEM #5**

ORDERED THAT the sum of \$95,122.09 be and hereby is appropriated to the following named account.

Capital Projects Account for Acquisition of St. Patrick's School

Said amount is to be taken from available funds in the School Special Account for Building Improvements.

Motion made to approve.

Committee vote                      6 – 0 favorable.

**ITEM #6**

ORDERED THAT the sum of \$15,000.00 be and hereby is appropriated to the following named account:

Law Department Expense Account for Special Services

Said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

Attorney Rooke stated that two lawsuits have been filed against the city in the past 30 days. This money is needed to hire an outside attorney.

Motion made to approve.

Committee vote                      6 -0 favorable.

**ITEM #7**

ORDERED THAT the sum of \$30,000.00 be and hereby is appropriated to the following named account:

Law Department Expense Account for Special Services

Said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

Motion made to approve.

Committee vote                      6 -0 favorable.

**ITEM #8**

ORDERED THAT the sum of \$180,000.00 be and hereby is appropriated to the following named account:

Settlement in the Case of Jeanne Kidwell vs. the City of Chicopee

Said amount is to be taken from available funds in the undesignated fund balance "free cash" account.

Motion made by Councilor Moreau to refer this item to the December 15, 2009 City Council meeting.

Councilor Croteau questioned whether the reasoning for moving this matter to December 15<sup>th</sup> is because there is new information that will be forthcoming.

Councilor Brunetti questioned by this person could not have been suspended and the City would be liable for less money. He doesn't feel that the taxpayers should have to pay this settlement.

Mayor Bissonnette stated that this is a time sensitive matter and also stated by City Solicitor Phillips.

Councilor Moreau made a motion to withdraw original motion. Motion passed 5 – 2 by a roll call vote. Voting in favor: Zaskey, Tillotson, Moreau, Vieau, and Krampits. Voting opposed were: Brooks, and Brunetti.

Councilor Tillotson stated that delaying the matter will not change the circumstances.

Councilor Croteau stated that this is a smart business decision.

Councilor Brooks questioned if nothing was done wrong then why should the city pay?

Motion made by Councilor Kramptis to approve.

Committee vote                      5 favorable 2 unfavorable. Voting in favor: Zaskey, Tillotson, Moreau, Vieau, Kramptis. Voting unfavorably: Brunetti and Brooks.

**ITEM #9**

Minutes – September 24, 2009. Motion made to accept. Motion passed.

Meeting adjourned at 7:21 pm.